

LICENSE AGREEMENT

BETWEEN

MONTGOMERY COUNTY, MARYLAND

AND

THE CHILDREN'S LEARNING CENTER, INC.

DATED: 7/8/13

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## LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "License"), dated this 8th day of July, 2013, by and between MONTGOMERY COUNTY, MARYLAND, a political subdivision of the State of Maryland (hereinafter, together with its successors and assigns called "the County"), and THE CHILDREN'S LEARNING CENTER, INC., a Maryland corporation qualified to do business in the State of Maryland (hereinafter, together with its successors and assigns called "the Licensee") (the County and the Licensee together the "Parties").

### BACKGROUND:

1. The County is the owner of a former public school site known as the English Manor Elementary School that is located at 4511 Bestor Drive in Silver Spring, Montgomery County, Maryland (the "Property"), which was declared surplus by the Board of Education of Montgomery County and the State Board of Public Works and conveyed by the Board of Education to the County by deed recorded among the Land Records for Montgomery County, Maryland at Liber 11209 at Folio 165 (the "Deed"); and

2. The Licensee is the operator of The Children's Learning Center, Inc. ("CLC") which offers educational services, <sup>CHILD</sup> day care, and related activities for infants and toddlers; and **NURSEERY SCHOOL**.

3. The Licensee occupied the Licensed Premises as the County's former tenant at the Property; and

4. The original Lease Agreement dated February 8, 2000 by and between Montgomery County, Maryland and the Children's Learning Center, Inc. for use of the Property has been terminated; and

5. The County and Licensee wish to enter into a License Agreement for a term of one (1) year in order to allow the Licensee to remain at the Property while the County completes a reuse procedure to select a permanent tenant for the Property; and

6. Licensee acknowledges that the County has also granted a license to the School For Tomorrow, Inc. for the use of a portion of the Property.

NOW THEREFORE, in consideration of the terms of this non-exclusive License, including the payment of a license fee by the Licensee to the County as provided below, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. LICENSED PREMISES: The "Licensed Premises" shall mean the area outlined in red as shown on Exhibit A. The County licenses to Licensee the Licensed Premises located on the Property. The Licensed Premises are accepted by Licensee "as is."

2. TERM: The term of this License (the "Term") is one (1) year. The Commencement Date of this License is July 1, 2013. This License may not be extended and is not intended to allow the Licensee to occupy the Property after the termination date.

3. USE OF THE LICENSED PREMISES:

A. The Licensed Premises shall be used for (i) educational services, day care, and related activities for infants and toddlers (the "Permitted Use"), and (ii) for community and the County's use as set forth in Articles 6 and 7 of this License. Licensee agrees that its use of the Licensed Premises shall conform fully with all applicable laws, rules and regulations.

Licensee agrees that no more than \_\_\_\_\_ (120) students will occupy the Property. In addition, a nominal number of daily visitors, and not more than \_\_\_\_\_ (26) staff may occupy the Property.

B. The Licensee will comply with the regulations governing the use and occupancy of closed school properties, Montgomery County Regulations (COMCOR) Section 11B.45.02 (the "Closed School Regulations");

C. The Licensee shall have the right to occupy certain space within the Licensed Premises for its programs as outlined in red on the floor plan sketch attached as Exhibit E.

D. The Licensee covenants that it will take no action to render this License Agreement irrevocable.

E. The Licensee agrees that this License Agreement is not a settlement or an accord and satisfaction of any claim(s) that the County may assert or has asserted against CLC, including any claim for monies owed.

4. LICENSE FEE:

A. License Fee: Licensee shall pay to the County a licensee fee of Thirty Six Thousand and 00/100 Dollars (\$36,000.00) payable in twelve (12) equal monthly installments of Three Thousand and 00/100 Dollars (\$3,000.00) (the "Licensee Fee"). The License Fee is not rent.

B. Due Date for License Fee: The first monthly payment shall be due upon the Commencement Date. All Licensee Fees are to be made in advance on the first day of each month during the Term and shall be payable to: Montgomery County Government, Department of General Services, Office of Real Estate, P.O. Box 9464, Gaithersburg, Maryland 20898-9464.

C. Failure to Pay License Fee: Should Licensee fail to submit monthly the License Fee, Licensee shall pay to the County, in addition to and as a part of the monthly License Fee, a late penalty equal to five percent (5%) of the monthly License Fee. If Licensee's failure to pay continues for more than fifteen (15) calendar days after the Licensee Fee is due, Licensee shall pay to the County, in addition to and as a part of the monthly Licensee Fee, a late penalty equal

to ten percent (10%) of the monthly Licensee Fee. Any late penalty imposed under this paragraph shall be payable to the County as Additional Licensee Fee, and shall be paid at the time that the overdue installment of Licensee Fee is paid to the County by Licensee.

5. TERMINATION: This License is revocable and all rights and obligations hereunder may be terminated by the County, for any reason, at any time, and at no cost to the County, whenever the Chief Administrative Officer determines that termination of this License is in the best interest of the County.

6. USE OF ALL-PURPOSE ROOM BY THE COMMUNITY, DEPARTMENT OF RECREATION AND OTHER COUNTY AGENCIES:

A. Community Use of Public Facilities: The All-Purpose Room within the Licensed Premises shall remain available to the community for use outside of Licensee's hours of use. The Licensee's "hours of use" are Monday through Saturday from 7:00 a.m. to 6:00 p.m. Licensee shall forward all third-party requests to use the All-Purpose Room to Community Use of Public Facilities ("CUPF"). Licensee acknowledges and agrees that only the County may agree to any rental of any All-Purpose Room. Licensee agrees to provide CUPF with a schedule of its activities during Licensee's hours of use. RBP  
GAP

B. Licensee Limitation: The Licensee shall not be responsible for (i) providing security and safety measures for the Licensed Premises, including, without limitation any All-Purpose Room, during such community or County use, or (ii) mitigating the traffic and parking burdens placed on the adjacent community during such community or County use.

7. USE OF ADJOINING FIELDS: Licensee shall have the right to use the adjoining fields after scheduling such use through CUPF. Notwithstanding the foregoing, the County and the Maryland National Capital Park and Planning Commission may use and occupy the adjoining fields for community or County use after 5:00 p.m., Monday through Friday and all day on Saturday and Sunday unless the Licensee needs the play areas and fields for an activity scheduled through CUPF.

8. PARKING: Licensee is entitled to use the adjoining parking facilities for parking by Licensee and its staff, clients and guests. Licensee may not use or permit its staff, clients, and guests to use on-street parking in such a way that deprives the nearby property owners of their use of the public right of way. Licensee shall, at Licensee's risk and expense, be responsible for the ongoing maintenance, cleaning, and repair of all parking facilities. The Licensee shall not deny access to all parking facilities to the County's representatives at all times, or to community users of the Licensed Premises during times of community use as set forth in Articles 6 and 7 above.

9. OPERATING EXPENSES:

A. Maintenance, Repair and Upkeep: The Licensee shall, at the Licensee's sole cost and expense, assume full responsibility for the maintenance, repair, and upkeep of the area occupied by its programs.

B. Operating Expenses: The Licensee shall be fully responsible, at the Licensee's sole cost and expense, for all operating expenses for the area occupied by its programs, including, but not limited to, utility bills and expenses, janitorial services, trash removal, pest control, and preventive maintenance.

10. FIXTURES AND EQUIPMENT: All items which are attached to the Property, or are a part of the Property's systems shall remain with the Licensed Premises. Upon the termination of the License, the Licensee must remove all personal property from the Property. The Licensee may not install any fixtures or equipment.

11. CONDITION OF PREMISES: Licensee accepts the Licensed Premises "as is." and Licensee agrees to maintain the Licensed Premises, including all improvements therein, in good condition throughout the Term. Licensee agrees to keep the Licensed Premises clean and neat in appearance at all times, and to keep grass trimmed, trees treated and shrubbery pruned as necessary to maintain them in good condition and appearance.

12. LIABILITY, PROPERTY DAMAGE AND FIRE INSURANCE:

A. Licensee Insurance: Licensee agrees to obtain and maintain, during the full term of this License, and until all of Licensee's obligations which survive termination of this License have been completed, a policy or policies of insurance issued by an insurance company or companies licensed to do business in the State of Maryland and acceptable to the County containing the types of insurance coverages and limitations set forth in Exhibit B Insurance Requirements, which is incorporated by reference and made a part of this License.

B. County Insurance: The County shall obtain and maintain, during the Term, an All Risk Property policy covering 100% of the Building on the Licensed Premises. The County shall provide insurance covering general liability for the Property. Notwithstanding the above, the County shall have the right to self-insure. The County is a member of the Montgomery County Self-Insurance Program. The County shall obtain and maintain, during the full term of this License, and any extension thereof, a policy of public liability insurance with bodily injury limits of \$200,000 for injury (or death) to one person, \$500,000 per occurrence, and property damage insurance with a limit of \$200,000. These are the maximum limits of liability for which the Montgomery County Self-Insurance Program is responsible, as determined by the Local Government Tort Claims Act as amended (the "LGTC").

C. Licensee Owned Contents and Non-Structural Improvements: Licensee shall provide evidence of property coverage for their own contents and any non-structural improvements, to the Licensed Premises. Coverage shall be on a replacement cost basis for "all risks of direct physical loss or damage except as specifically excluded."

D. Certificate of Insurance: Licensee shall, within ten (10) days from the Commencement Date of this License, deliver to the County a certificate(s) of insurance evidencing the coverages required under this License. The certificates shall be issued to: Montgomery County, Maryland, c/o Department of General Services, Office of Real Estate, 101 Monroe Street, 9th Floor, Rockville, Maryland 20850, with a copy to Montgomery

County, Risk Management Department, 101 Monroe Street, 15<sup>th</sup> Floor, Rockville, Maryland 20850. Licensee is solely responsible for payment of the premiums for all of Licensee's insurance. The limits of Licensee's insurance in no way limits Licensee's liability under this License, at law, or in equity.

13. INDEMNIFICATION: Licensee agrees to indemnify and hold harmless and pay for the defense of the County by counsel of the County's choosing from any and all claims of liability, actions, damages and expenses, including, but not limited to, reasonable attorney's fees and litigation costs, arising out of or related to Licensee's use or possession of the Licensed Premises, and Property, from any breach of this License by Licensee, or from any claim, action, damage, liability or expense occasioned wholly or in part by any act or omission of Licensee, its agents, contractors, guests or employees, except such negligent or willful acts or omissions of the County and the County's employees. Licensee further specifically agrees to hold the County harmless and pay for the defense of the County from any claim of liability made in connection with any construction or installation of equipment within the Licensed Premises, notwithstanding that any such construction or equipment may or may not be deemed to be a part of the Licensed Premises hereinabove described. In case the County shall, without fault on its part, be made a party to any litigation commenced by or against Licensee, then Licensee shall protect and hold harmless the County at Licensee's sole cost and expense, but only pursuant to its obligations set forth in this Article above.

14. LICENSEE'S DUTIES AND COVENANTS:

A. Waste: Licensee shall not strip, overload, damage or deface the Property, nor suffer or permit any waste in or upon the Licensed Premises.

B. Hazardous Materials: Licensee shall not keep or store gasoline, other flammable material, any explosive, or hazardous material as defined under State and Federal and County laws and regulations, within the Licensed Premises which shall increase the rate of fire insurance on the Licensed Premises beyond the ordinary risk established for the type of operations described in Article 3 of this License. Any such increase in the insurance rate due to

the above, or due to Licensee's special operations within the Licensed Premises shall be borne by Licensee. Licensee shall not willfully do any act or thing in or about the Licensed Premises which may make void or voidable any insurance on the Licensed Premises, and Licensee agrees to conform to all reasonable rules and regulations established from time to time by the County (as a governmental authority and not as a landlord), the Maryland Insurance Rating Bureau, or any other authority having jurisdiction over such matters.

C. Use: Licensee shall not permit any trade or occupation to be carried on or use made of the Licensed Premises outside of the scope of this License. Further, Licensee shall not use or allow to be used the Licensed Premises or any part thereof for any illegal, unlawful or improper purpose or for any activity which shall constitute a nuisance to adjacent properties or the adjacent neighborhood. Licensee acknowledges that all of its responsibilities relating to the use or misuse of the Licensed Premises and anything therein shall be construed to include use or misuse thereof by Licensee's agents, employees, patrons, and guests.

D. Signage: Licensee shall not place upon the Licensed Premises any placard, sign, lettering or awning (a "Projection") except as first approved in writing by the County. Any such sign or Projection must comply under Chapter 59 of the Montgomery County Code (2004), as amended, (the "Zoning Ordinance") and must be approved by the County agency responsible for administering the Zoning Ordinance, which may withhold its approval for any reason.

E. Expenses: Licensee shall pay all of its bills and expenses relating to Licensee's use of the Licensed Premises on time and shall not permit any disruption of any service, including, but not limited to, utilities, to any portion of the Licensed Premises.

F. Authority: Licensee verifies and acknowledges that the person executing this License on behalf of the Licensee has the legal authority to bind the Licensee to the duties and obligations set forth herein. Licensee further verifies and acknowledges that such person's signature creates a binding obligation on the part of the Licensee for the term of this License. Licensee verifies and acknowledges that it is in good standing and/or qualified to do business in the State of Maryland, as attached as Exhibit C.

G. Performance: Licensee agrees to and shall perform any and all obligations under this License in a timely manner. It is understood, agreed and covenanted by and between the parties that Licensee, at Licensee's expense, shall promptly comply with, observe and perform all of the requirements of all of the statutes, ordinances, rules, orders and regulations now in effect or hereafter promulgated whether required by the Federal Government, State of Maryland, Montgomery County, or any local government with jurisdiction over the Licensed Premises.

H. Toxic Substances Control Act: Licensee specifically acknowledges its responsibility to comply with the requirements of the Toxic Substances Control Act ("TSCA") 15 U.S.C. 2601 to 2692, and its implementing regulations governing asbestos-containing materials in schools, the Asbestos Hazard and Emergency Response Act ("AHERA"), 40 C.F.R. Part 763, Subpart E.

15. DAMAGES TO OR DESTRUCTION OF LICENSED PREMISES:

A. Notice: Licensee shall provide the County with notice, as soon as practicable, of accidents on or damages to the structure, equipment, or fixtures of the Licensed Premises or of defects in the roof, plumbing, electric and heating and cooling systems of the Building, or to any defects or damages to the Property.

B. County No Duty to Repair: The County reserves the right to not repair the Licensed Premises, if it decides, in its discretion, that repair of the Licensed Premises is not in the County's best interest.

16. DEFAULT:

A. Events of Default. Each of the following shall constitute an event of default (the "Event of Default"):

1. Licensee's failure to pay Licensee Fee and the continuance thereof for thirty (30) days after receipt from the County of written notice.  
Notwithstanding the foregoing, the County shall not be required to provide Licensee with more than three (3) monthly written notices during any twelve (12) month period.
2. Failure to substantially perform under any term, covenant or condition of this License, and the continuance thereof for thirty (30) days after written notice from the County specifying said failure.
3. The commencement of any involuntary action or proceeding for the dissolution or liquidation of Licensee, or for the appointment of a receiver or trustee of Licensee's property, and the failure to discharge any such action within one hundred twenty (120) days.
4. The making of any assignment for the benefit of Licensee's creditors.
5. The abandonment of the Licensed Premises by Licensee. Abandonment is defined as the failure of Licensee to operate the Permitted Use for thirty (30) consecutive days or longer, unless otherwise excused under the terms of this License.

B. County Remedies. Upon occurrence of an Event of Default by the Licensee, the County is entitled to all remedies available at law or in equity, including, but not limited to, the right to terminate the License. Notwithstanding the termination of this License, the Licensee shall remain liable for any and all claims, costs, damages, expenses, fees, liabilities and losses suffered by or incurred on behalf of the County as a result of Licensee's Event of Default, including all reasonable attorney's fees and any costs the County incurs recovering possession of the Licensed Premises.

C: No Waiver. In the event that proceedings shall at any time be commenced for recovery of possession as aforesaid and a compromise or settlement shall be effected either before or after judgment whereby the Licensee shall be permitted to retain possession of the Licensed Premises, then such proceedings do not constitute a waiver of any condition or agreement contained herein or of any subsequent breach of this License. No waiver of any breach of any condition contained herein shall be construed to be a waiver of that condition or of any subsequent breach thereof.

17. RIGHT OF ENTRY: Nothing in this License shall be construed to limit the right of the County to enter upon the Property, including the Licensed Premises, for any purpose at any time. Licensee shall not alter or change exterior locks installed on the Licensed Premises. Licensee shall not take any action to prevent the County from entering the Property, including the Licensed Premises.

18. RETURN OF THE LICENSED PREMISES:

A. Licensee's Property: At the conclusion of the Term or following the termination of this License for any other cause, the Licensee shall remove all of Licensee's goods and effects from the Licensed Premises and return to the County all keys, locks, and other fixtures belonging to the County, in good repair, reasonable wear and tear and damage by casualty excepted. In the event that Licensee's property is not removed from the Licensed Premises after the termination of this License, the property remaining shall become the property of the County. The County shall dispose of such property in the manner it deems appropriate.

B. Condition of Licensed Premises: The Licensee shall return the Licensed Premises to the County in the same condition as received at the beginning of the License Term in "broom clean" condition, reasonable wear and tear and damage by casualty excepted. At the time of termination of this License, and at the County's option, the Licensee shall participate in a walk-through with the County's agent or employee to inspect the Licensed Premises.

C. Signs: Following termination of this License, the Licensee shall remove any and all signs erected by or on behalf of Licensee and shall pay for or repair any damage caused by the installation or removal of such signage.

19. HOLDOVER:

A. No Right to Holdover: The Licensee shall have no right to holdover and continue to occupy the Licensed Premises upon expiration or termination of this License. This License does not limit the County's authority to choose a new tenant or licensee for the Property, inclusive of the Licensed Premises. This License Agreement is not intended to create a tenancy.

B. Indemnification: Licensee shall defend, indemnify, and hold the County harmless from and against any and all claims, losses, liabilities, or damages resulting from the Licensee's failure to surrender possession of the Licensed Premises in accordance with this Article (including, but not limited to, any and all claims made by any succeeding occupant).

20. ASSIGNMENT: Licensee shall have no right to assign this License to another party.

21. CUMULATIVE REMEDIES: Except as otherwise expressly set forth herein, all remedies granted in this License otherwise provided by law shall be cumulative and, unless inconsistent, may be exercised separately, concurrently or successively.

22. DISPUTES: The County and Licensee agree that any dispute concerning a question of fact arising under this License which is not resolved by agreement of the Parties shall be decided by the Chief Administrative Officer of Montgomery County, or his designee, who shall notify the Parties in writing of the determination made. The Licensee and the County shall be afforded an opportunity to be heard and offer evidence in support of their respective positions. Pending final decision of a dispute hereunder, Licensee and the County shall proceed diligently with the performance of all provisions under this License. The decision of the Chief Administrative Officer or his designee shall be final and conclusive. This Article does not

preclude consideration of questions of law by a court of competent jurisdiction in connection with the aforesaid decisions.

23. WAIVER: The waiver at any time by either of the Parties of any particular covenant, condition, obligation, or duty under this License shall extend to the particular case only, and for the particular time and in the particular manner specified, and such waiver shall not be construed or understood as waiving any further or other rights of either Party.

24. NON-DISCRIMINATION: Licensee agrees to comply with the non-discrimination in employment policies in County contracts as required in Sections 11B-33 and 27-19 of the Montgomery County Code (2004), as amended, as well as all other federal, state and local laws, rules and regulations regarding employment discrimination. By signing this License, the Licensee assures the County that in accordance with applicable law, it does not, and agrees that it shall not engage in any employment discrimination in violation of the above sections of the Montgomery County Code as well as any other federal, state or local laws, rules and regulations. The Licensee assures the County that in accordance with applicable law, it does not, and agrees that it will not discriminate in any manner on the basis of race, color, religious creed, sex, marital status, national origin, ancestry, disability, sexual orientation or genetic status.

25. CONTRACT SOLICITATION: Licensee represents that it has not retained anyone to solicit or secure this License from the County upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for bona fide employees of bona fide established, licensed, commercial selling or leasing agencies (the "Broker") maintained by the Licensee for the purpose of securing business or an attorney rendering professional legal services consistent with the canons of ethics of the profession. Licensee is responsible for paying any Broker's fees or commissions for any Broker with whom Licensee has any contract or agreement and for paying all of Licensee's attorneys' fees in connection with the negotiation of this License.

26. ETHICS REQUIREMENT: Licensee understands and agrees that unless authorized pursuant to Section 11B-52 and Chapter 19A of the Montgomery County Code (2004),

as amended, that it is unlawful for any person or entity transacting business with the County to employ a public employee contemporaneous with his or her public employment.

27. FORCE MAJEURE: Neither party shall be deemed in default with respect to the performance of any of the terms, covenants and conditions of this License if same shall be due to any strike, lockout, civil commotion, war-like operation, invasion, rebellion, hostilities, military or insurgency, sabotage, inability to obtain any material or service, through natural or other causes beyond the control of either of the Parties; provided, however, that this provision shall not excuse any non-payment of the Licensee Fee. For purposes of this provision, lack of funds shall not be considered a cause beyond the control of a party.

28. RESIDENT AGENT: The Resident Agent for the Licensee is: Terry Popkin, 1809 Snowdrop Lane, Silver Spring, MD 20906.

29. MAILING NOTICES: All notices required by this License shall be in writing and shall be given by either party by first class mail, postage prepaid, return receipt requested or with a nationally recognized receipted delivery service, addressed to the County or Licensee, respectively. Notice to the Parties shall be addressed as follows:

THE COUNTY:

MONTGOMERY COUNTY, MARYLAND

Department of General Services  
Office of Real Estate  
101 Monroe Street, 9<sup>th</sup> Floor  
Rockville, Maryland 20850  
Attn: Director

With a copy that does not constitute notice to:

Office of the County Attorney  
101 Monroe Street, 3<sup>rd</sup> Floor  
Rockville, Maryland 20850  
Attn: County Attorney

THE LICENSEE:

The Children's Learning Center, Inc  
4511 Bestor Drive  
Rockville, Md 20853

And,

Terry Popkin  
c/o The Children's Learning Center, Inc.  
1809 Snowdrop Lane  
Silver Spring, MD 20906

30. INDEMNITY BOND: Upon the request of the County, for reasonable cause in its reasonable discretion, concurrent with the effective date of the License or at any time during the term of this License, Licensee shall obtain and maintain an executed miscellaneous indemnity bond in the amount of the annual License Fee to remain in full force and effect throughout the remainder of the Term, as security for the faithful performance of all the terms and conditions of this License. The County shall have the right, but not the obligation, to request such a bond from the Licensee. The County, in its reasonable discretion, may accept an appropriate substitute surety. Licensee shall, within fifteen (15) days from the date of the request by the County, deliver to the County the said surety, evidencing the coverage hereinabove stated. Failure to deliver the bond or surety as required is considered by the County to be an Event of Default under this License.

31. LIMITATION ON COUNTY LIABILITY: Any obligation or liability of the County arising in any way from this License is subject to, limited by, and contingent upon the appropriation and availability of funds, as well as the damage caps and notice requirements contained in state law, including the Local Government Tort Claims Act, Md. Code Ann. Art. 25A, § 1A, Md. Code Ann., Cts. & Jud. Proc. § 5-501, et seq., and the Local Government Tort Claims Act, all as amended. Any indemnification given by the County in this License is not intended to create any rights or causes of action in any third parties or to increase the County's liability above the caps provided in the County Indemnification Statutes, as applicable.

32. GOVERNING LAW: This License and its performance is governed, interpreted, construed and regulated by the laws of Montgomery County and the State of Maryland. Should any provision of this License be found invalid or unenforceable no other unrelated provision shall be affected and shall continue in full force and effect.

33. CLAIMS: Any claim or action brought by or on behalf of either Party in connection with the performance of this License shall be filed and maintained in a court of competent jurisdiction located in Montgomery County, Maryland.

34. RIGHT OF REDEMPTION: To the extent permitted by law, the Licensee hereby waives any and all rights of redemption and rights to cure any default hereunder (howsoever denominated) after the County recovers possession of the Licensed Premises now or hereafter granted to the Licensee pursuant to applicable law. No acceptance by the County of any monies owed by the Licensee to the County shall constitute a waiver of the provisions of this Article, nor shall any refusal by the County to accept any tender by the Licensee of any sums owed by the Licensee to the County, in connection with any purported exercise of any right of redemption or right to cure to which the Licensee would otherwise be entitled, constitute a termination of this License or a release of the Licensee from any liability hereunder.

35. RULES FOR LICENSED PREMISES: Existing Rules for Licensed Premises are incorporated by reference and made a part of this License as Exhibit D. The County reserves the right to amend the existing Rules for Licensed Premises from time to time, at the County's reasonable discretion. Licensee shall comply with any and all Rules for Licensed Premises adopted by the County and provided in writing to the Licensee. Licensee's failure to obey the Rules for Licensed Premises constitutes an Event of Default under this License for which the County may pursue any or all of the remedies set forth in Article 17.C, County's Remedies. In the event of a conflict between the Rules for Licensed Premises and this License, the License is controlling.

{signature page to follow}

IN WITNESS WHEREOF, the Parties have caused this agreement to be properly executed.

WITNESS:

By: 

THE CHILDREN'S LEARNING CENTER  
INC. a corporation organized under the laws  
of the State of Maryland

By: 

Title: PRESIDENT

Date: 7/8/13

MONTGOMERY COUNTY, MARYLAND

By: 

Ramona Bell-Pearson

Title: below

ASSISTANT CHIEF ADMINISTRATIVE OFFICER

Date: July 17, 2013

APPROVED AS TO FORM & LEGALITY  
OFFICE OF THE COUNTY ATTORNEY

By: 

RECOMMENDED

By: 

CYNTHIA L. BRENNEMAN

DIRECTOR, OFFICE OF REAL ESTATE

Date: 7/15/13

Date: 7/10/13

Exhibit A – Licensed Premises  
[Article 1]

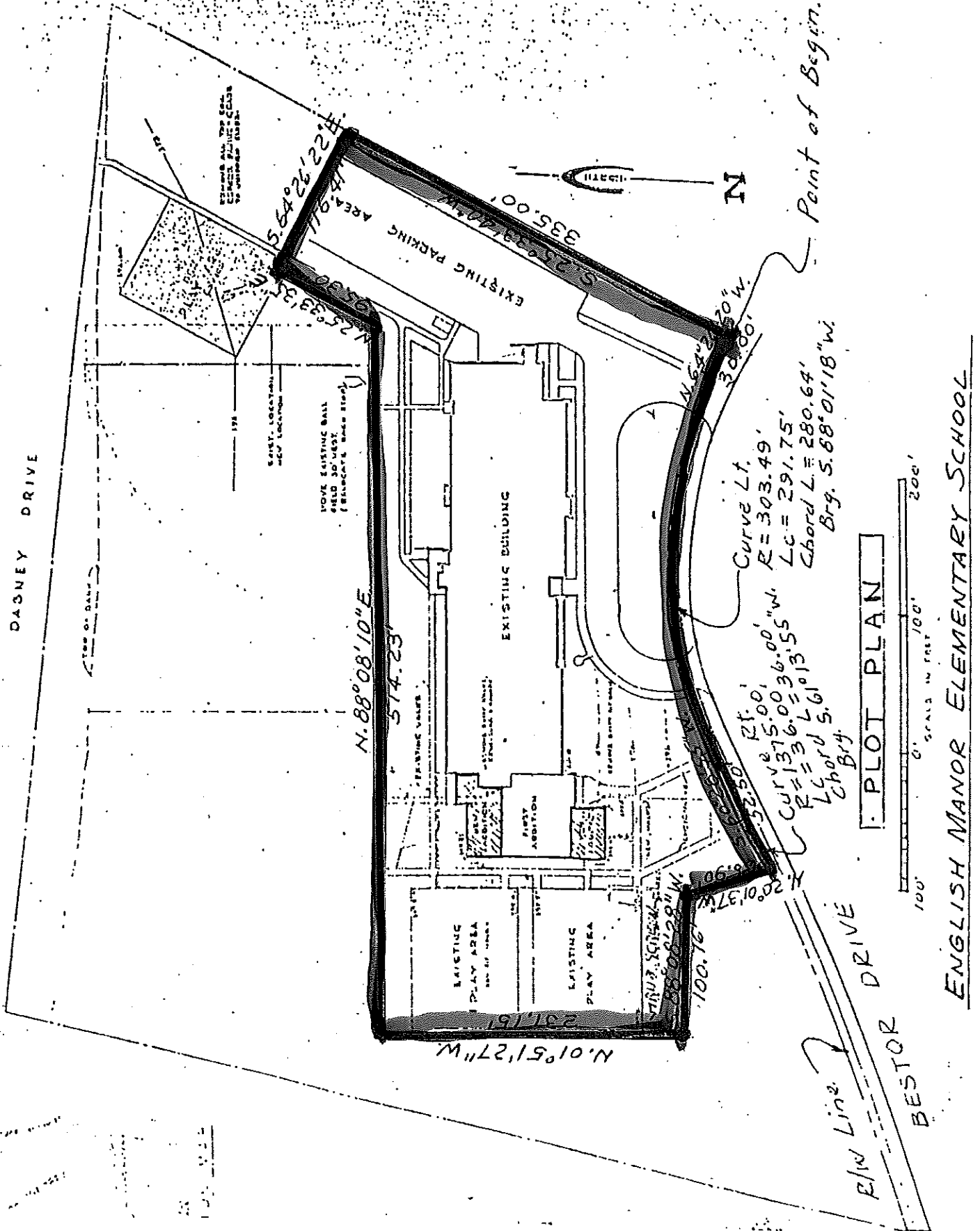


Exhibit B Insurance Requirements  
[Article 12.A]

LIABILITY, PROPERTY DAMAGE AND FIRE INSURANCE

- A. Licensee agrees to obtain and maintain, during the full term of this License, and any extension thereof, a policy of general liability and/or excess liability insurance with a minimum limit of liability of \$5,000,000 (five million dollars) for bodily injury and property damage including Contractual Liability, Premises and Operations, Independent Contractors, Personal Injury and fire liability issued by an insurance company licensed in the State of Maryland and acceptable to the County.
- B. Licensee agrees to obtain and maintain, during the full term of this License, and any extension thereof, a policy of Automobile Liability Coverage with a minimum limit of liability of one million dollars (\$1,000,000), combined single limit, for bodily injury and property damage coverage per occurrence including owned automobiles, hired automobiles and non-owned automobiles.
- C. Licensee agrees to obtain and maintain, (an All-Risks) a "Special" form Property Policy during the License term and any renewal terms to protect the full replacement value of all contents of the Licensed Premises and all interests of the Licensee, the County and the Property of Others against any loss. Any deductibles under this policy shall be funded by Licensee. County shall be named as loss payee.
- D. The General Liability, Automobile and any excess liability policies or floaters must name Montgomery County as an additional insured. All policies must provide the County with forty-five days advance notice of material amendment or cancellation.
- E. The Licensee shall, within (10) days following execution of this License deliver to the County a certificate(s) of insurance and copies of the policies evidencing the coverage(s) required above. The Certificate(s) must be issued to Montgomery County, Maryland, Department of Public Works and Transportation, Office of Real Estate, 101 Monroe Street, 10<sup>th</sup> Floor, Rockville, Maryland 20850. Licensee has the obligation to assure that the County always has a valid Certificate of Insurance and complete copies of the policies.
- F. County shall have the right to self-insure. The County is a member of the Montgomery County Self-Insurance Program; Article 20-37 of the Montgomery County Code restricts the legal defense fund to members of the Fund and does not allow for outside entities. The certificate of insurance evidences limits of insurability for general liability coverage in

the amounts of \$500,000 aggregate and \$200,000 each occurrence and \$20,000 per person, \$40,000 per accident for bodily injury and \$15,000 for property damage for automobile liability and State of Maryland statutory limits for worker's compensation. These are the maximum limits of liability for which the Montgomery County Self-Insurance Program is responsible, as determined by the Local Government Tort Claims Act, 1986. This insurance policy must be maintained continuously by the County during the full term of this contract and during any extension of the contract term. County and the Landlord hereby waive any right of subrogation against the other to the extent that the liability arises from a cause covered by the insurance and only to the extent of the insurance proceeds recovered, and provided that the Parties' insurance policies permit such a waiver.

Exhibit C - Certificate of Good Standing  
[Article 14.F]

**STATE OF MARYLAND**  
**Department of Assessments and Taxation**

I, PAUL B. ANDERSON OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF THE STATE OF MARYLAND, DO HEREBY CERTIFY THAT THE DEPARTMENT, BY LAWS OF THE STATE, IS THE CUSTODIAN OF THE RECORDS OF THIS STATE RELATING TO THE FORFEITURE OR SUSPENSION OF CORPORATIONS, OR THE RIGHTS OF CORPORATIONS TO TRANSACT BUSINESS IN THIS STATE, AND THAT I AM THE PROPER OFFICER TO EXECUTE THIS CERTIFICATE.

I FURTHER CERTIFY THAT THE CHILDREN'S LEARNING CENTER, INC., INCORPORATED JULY 14, 1978, IS A CORPORATION DULY INCORPORATED AND EXISTING UNDER AND BY VIRTUE OF THE LAWS OF MARYLAND AND THE CORPORATION HAS FILED ALL ANNUAL REPORTS REQUIRED, HAS NO OUTSTANDING LATE FILING PENALTIES ON THOSE REPORTS, AND HAS A RESIDENT AGENT. THEREFORE, THE CORPORATION IS AT THE TIME OF THIS CERTIFICATE IN GOOD STANDING WITH THIS DEPARTMENT AND DULY AUTHORIZED TO EXERCISE ALL THE POWERS RECITED IN ITS CHARTER OR CERTIFICATE OF INCORPORATION, AND TO TRANSACT BUSINESS IN MARYLAND.

IN WITNESS WHEREOF, I HAVE HEREUNTO SUBSCRIBED MY SIGNATURE AND AFFIXED THE SEAL OF THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION OF MARYLAND AT BALTIMORE ON THIS JUNE 27, 2013.



Paul B. Anderson  
Charter Division



301 West Preston Street, Baltimore, Maryland 21201  
Telephone Balto. Metro (410) 767-1340 / Outside Balto. Metro (888) 246-5941  
MRS (Maryland Relay Service) (800) 735-2258 TT/Voice  
Fax (410) 333-7097

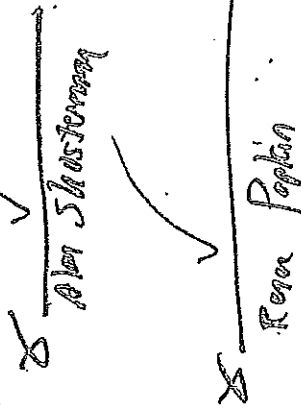
Exhibit D – Rules for Licensed Premises  
[Article 35]

At this time, the County has no existing Rules for Licensed Premises, but reserves the right to promulgate such Rules for Licensed Premises at a later date provided such Rules for Licensed Premises are reasonable and enforced to all similarly situated properties in a uniform and consistent manner.

Exhibit E

Licensee Occupied Space  
[Article 3.C]

EXHIBIT E



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